

McCullagh Leasing, Inc.

Commercial Credit Industrial Corp.

A. KEITH MCCLUNG, JR.

VICE PRESIDENT, COUNSEL AND SECRETARY

KEVIN C. FEURY

ASSISTANT VICE PRESIDENT,  
ASST. COUNSEL AND ASST. SECRETARY

6850

RECORDATION NO. \_\_\_\_\_ Filed & Recorded

JAN 2 1973 - 11 00 AM

INTERSTATE COMMERCE COMMISSION

December 19, 1972

Secretary  
Interstate Commerce Commission  
Washington, D.C.

Dear Sir:

This letter is written pursuant to Section 57.4 of Regulations of the Interstate Commerce Commission. Enclosed is an original and two executed copies of a Chattel Mortgage in which Commercial Credit Industrial Corp., 30803 Mack Avenue, Roseville, Michigan, is the Mortgagee, and Louisville and Nashville Railroad Company, of 908 W. Broadway, Louisville, Kentucky, is the Mortgagor.

A general description of the equipment covered by the document is: Five (5) Vert-A-Pac Superstructures, manufactured by Whitehead & Kales Co., one of which shall be attached to railroad flatcars owned by Trailer Train Company and bearing Trailer Train's Road Numbers 802164, 802169, 802174, 802184 and 802187, which Superstructures are eighty-nine feet, four inches (89'4") long, all steel, capable of transporting thirty (30) automobiles in a vertical position, together with equipment, accessories, accessions and attachments thereto, and replacements, proceeds and products thereof.

The Undersigned is a Vice President of Mortgagee, Commercial Credit Industrial Corp. He has prepared these documents and has knowledge of the matters set forth therein. This Chattel Mortgage should be returned to Undersigned at 30803 Little Mack Avenue, Roseville, Michigan 48066.

Very truly yours,

*A. Keith McClung, Jr.*  
A. Keith McClung, Jr.

AKM:myb

Enclosure

RECEIVED  
JAN 1 10 56 AM '73  
I.C.C.  
FEE OPERATION BR.



313—294-7800

30803 Little Mack Avenue  
Roseville, Michigan 48066

Reply To:  
22811 Mack Avenue  
St. Clair Shores, Mich. 48080

KCF/bc  
12/19/72

### CHATTEL MORTGAGE

THIS CHATTEL MORTGAGE, made and entered into this 19<sup>th</sup> day of December, 1972, by and between LOUISVILLE AND NASHVILLE RAILROAD COMPANY, a Kentucky corporation of 808 W. Broadway, Louisville, Jefferson County, Kentucky (sometimes hereinafter referred to as "L&N"), and COMMERCIAL CREDIT INDUSTRIAL CORP., a Delaware corporation of 30803 Little Mack Avenue, Roseville, Michigan (sometimes hereinafter referred to as "CCIC").

WHEREAS, L&N wishes to receive advances from CCIC from time to time to purchase certain Vert-A-Pac Superstructures (sometimes hereinafter referred to as "Superstructures"), which will be attached or applied to certain railroad flatcars owned by The Fifth Third Bank, an Ohio corporation, leased to Trailer Train Company and furnished by Trailer Train Company to L&N, which flatcars bear Trailer Train's Road Numbers TTVX802164, TTVX802169, TTVX802174, TTVX802184 and TTVX802187 (sometimes hereinafter referred to as "Cars"), and

WHEREAS, L&N wishes to secure such advances by granting a mortgage on such Superstructures, and

WHEREAS, CCIC is willing to provide such advances upon the terms and conditions hereinafter set forth.

#### NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

That for and in consideration of the mutual promises herein contained, and other good and valuable considerations, the receipt and sufficiency whereof are hereby acknowledged, L&N grants CCIC a security interest in the personal property described as follows: Five (5) Vert-A-Pac Superstructures manufactured by Whitehead & Kales Co., one of which shall be attached to each of the Cars described above, which Superstructures are eighty-nine feet, four inches (89'4") long, all steel, capable of transporting thirty (30) automobiles in a vertical position, nosed in, in which the automobiles are rigidly secured to the frame of the doors, three automobiles to each door, ten (10) doors per Car, together with

all equipment, accessories, accessions and attachments relating thereto, replacements therefor and proceeds and products thereof, all collectively sometimes hereinafter referred to as "Collateral", all to secure the repayment of any advances hereunder and other obligations provided herein.

L&N warrants, covenants and agrees:

1. L&N is the owner of all of the Collateral, or if the advances hereunder are being used to purchase the Collateral, L&N will be the owner thereof, free and clear of any liens or encumbrances, except for the security interest provided for herein, will keep and maintain the same free and clear of all claims, encumbrances, charges and liens of all persons whomsoever, and will promptly pay all taxes, public charges and assessments thereon as and when due. The Collateral will be used for business purposes and will not be assigned, transferred or leased by L&N without CCIC's consent.

2. L&N's chief place of business is at the address shown at the beginning of this Agreement. From time to time, upon request, L&N will advise CCIC in writing of the location of any or all of the Collateral.

3. L&N will keep and maintain the Collateral in good order and repair and working condition at all times during the life of this agreement.

4. In the event any of the Collateral is lost, worn out or destroyed, L&N shall promptly notify CCIC and replace the lost, worn out or destroyed Collateral with other like personal property of substantially as good material and construction, by subjecting the replacement property to the lien and security interest of CCIC under this Chattel Mortgage. Such replacement property shall be equal in value to the depreciated value of the lost, worn out or destroyed Collateral, as determined by L&N and CCIC, in accordance with the Interstate Commerce Commission's Uniform System of Accounts for Railroad Companies.

5. At the election of L&N, and in lieu of such replacement contem-

that may become lost, worn out or destroyed and pay to CCIC the balance of the unpaid advances represented by such lost, worn out or destroyed Collateral. Upon the making of any payment pursuant to this paragraph, all succeeding repayments of advances described in Paragraph 12 hereof shall be reduced pro rata.

6. Notwithstanding the provisions of the two preceding paragraphs, CCIC may, if so requested by L&N, waive the requirements provided in Paragraphs 4 and 5 above for the replacement of the lost, worn out or destroyed Collateral or the payment of the unpaid indebtedness represented by the lost, worn out or destroyed Collateral. Any such waiver shall apply only to the specific instance for which the same is given.

7. Should any lost, worn out or destroyed Collateral be replaced pursuant to Paragraph 4 hereof, or if payment be made therefor pursuant to Paragraph 5 hereof, CCIC shall, and if waiver of such requirements for payment and replacement be given pursuant to Paragraph 6 hereof, CCIC may, upon written request from L&N, execute a release, or other suitable instrument, relinquishing the security interest which CCIC has in the lost, worn out or destroyed Collateral.

8. If L&N fails to keep the Collateral free and clear of all encumbrances, liens and charges, except as herein provided, or to pay any tax, public charges or assessments thereon, or to keep the same in good order and repair, as herein required, then CCIC, at its discretion, may discharge such encumbrances, liens or charges, or pay such taxes, public charges or assessments, or make such repairs as it may deem advisable. All sums of money thus expended, and all other monies paid by CCIC to protect its interest in the Collateral, shall be repayable by L&N to CCIC on demand, and if not so repaid, shall be added to L&N's outstanding advances from CCIC and be secured and bear interest as L&N's outstanding advances from CCIC hereunder.

9. The Collateral shall be and shall remain personal property, and

of any realty, or a part of or an accession to any Car, or prevent CCIC from removing the same from the premises or Car on which they are, or to which they may be attached, in the event CCIC so desires upon L&N's default hereunder.

10. (a) None of the terms or conditions herein are in violation of any provision of the Certificate of Incorporation or By-laws of L&N, or any agreements L&N may have with any third parties, or in violation of any act, law, order or regulation of any governmental entity, and the execution and delivery hereof, and of the other agreements or writings with or to CCIC, have been duly authorized by appropriate corporate action. L&N will at all times comply with all lawful acts, laws, orders and regulations of the governmental entities to whose jurisdiction L&N is now or may hereafter become subject. If L&N contends that any act, law, order or regulation purportedly applicable to it is unlawful, it shall, at its expense, take appropriate action to obtain a determination thereof.

(b) L&N will promptly pay, as and when due, all rental payments, and other payments which it has agreed to pay in connection with its rental or use of the Cars, and will keep and perform all of the terms and conditions of all contracts and agreements, and the amendments thereto, under which it has rented or obtained the use of said Cars.

11. In the event

(a) L&N shall default in the repayment of any advances or payment of interest as herein provided, and shall remain in default for more than ten (10) days after such payment shall have become due and payable; or

(b) L&N shall fail or refuse, for more than ten (10) days after CCIC shall have demanded in writing the performance thereof, to comply with any of the terms or conditions hereof; or

(c) L&N shall file any petition for reorganization or debt adjustment

or under any other provision of the Bankruptcy Act as now or hereafter existing, or under any other statute; or

(d) L&N shall make any voluntary assignment or transfer of its interest in and under this agreement without CCIC's consent; or

(e) creditors of the L&N shall file any petition for reorganization or debt adjustment affecting the obligations of the L&N hereunder under Section 77 of the Bankruptcy Act, or under any amendment or revision thereof, or under any other provision of the Bankruptcy Act as now or hereafter existing, or under any other statute, or any involuntary transfer of L&N's interest hereunder by bankruptcy, or by the appointment of a receiver or trustee, or by execution, or by any judicial or administrative decree or process, or otherwise, unless such petition shall be dismissed or such assignment, transfer, decree or process shall, within thirty (30) days from the filing, or other effective date thereof, be nullified, stayed or otherwise rendered ineffective, or unless any such receiver or trustee shall, within thirty (30) days from the date of his appointment, adopt this agreement, pursuant to due authority of the court appointing him;

(f) L&N should default in the payment or performance of any term or condition of any agreement under which it rents or obtains the use of any Car, or should such agreement terminate, or should any Car be repossessed or possession thereof taken by any third party, under any equipment trust agreement, lease agreement, security agreement, or agreement, or under any other powers or procedures, legal, equitable or otherwise, whereby L&N's rights in any Car is terminated, suspended or extinguished, and the same shall continue for more than ten (10) days after written notice thereof to L&N;

then, upon the happening of any of said events, the entire unpaid balance of all sums hereby secured shall at once become due and payable, at CCIC's election. If CCIC has made demand for the full payment of such unpaid balance and



for performance or legal process, CCIC may lawfully enter any of L&N's premises, or other premises on which Collateral is located, and lawfully remove the Collateral to such place as CCIC may deem advisable, or require L&N to make any or all such Collateral available at such place as CCIC may direct, and CCIC may sell the Collateral, or any part thereof, at public or private sale, in one or more sales, at such price or prices and upon such terms, either for cash, credit or future delivery, as CCIC may elect, after first giving L&N five (5) days' notice of the time and place of any public sale or of the time after which any private sale or other disposition shall be made (it being agreed that the foregoing are commercially reasonable dispositions and such notice is reasonable notification thereof), and CCIC may become the purchaser of any Collateral sold at public sale. The proceeds of sale, less the reasonable expenses of retaking, holding, preparing for sale, and selling, and the reasonable attorneys' fees and legal expenses incurred by CCIC, shall be applied toward the payment of the sums due hereunder and secured hereby. The surplus, if any, shall be paid to L&N, and L&N agrees to pay any deficiency.

12. (a) CCIC agrees to make advances to L&N from time to time, upon request, which shall not exceed in the aggregate the sum of One Hundred Fifty-Five Thousand and 00/100 Dollars (\$155,000.00). L&N shall repay such advances to CCIC in equal consecutive monthly repayments in amounts equivalent to one-sixtieth (1/60) of the aggregate amount of advances permitted hereunder, which monthly repayments shall continue until all advances and other sums due hereunder have been paid, together with interest on the outstanding balance thereof, at the rate agreed upon by the parties. The first of such repayments of advances and payments of interest shall be due and payable on the first (1st) day of the month following the month in which the first advance hereunder is made to L&N, and like payments shall be due and payable on the first day of each succeeding month thereafter.

(b) CCIC's obligations to make advances hereunder shall terminate

(i) L&N is not in default under this agreement.

(ii) There has been no material adverse change in L&N's financial condition from that existing as of the date hereof.

(iii) There is no litigation or regulatory proceeding pending to which L&N is a party, or by which it is bound, and which, if adversely concluded, would prohibit or materially limit L&N's performance of this agreement.

13. Any delay on the part of CCIC in exercising any power, privilege or right hereunder shall not operate as a waiver thereof, and no single or partial exercise of any power, privilege or right shall preclude other or further exercise thereof, or the exercise of any other power, privilege or right. The waiver by CCIC of any default by L&N shall not constitute a waiver of any subsequent defaults, but shall be restricted to the default so waived. If any part of this agreement shall be contrary to any law which CCIC might seek to apply or enforce, or should otherwise be defective, the other provisions of this agreement shall not be affected thereby, but shall continue in full force and effect. All rights, remedies and powers of CCIC hereunder are irrevocable and cumulative, and not alternative or exclusive, and shall be in addition to all rights, remedies and powers given hereunder or in or by any other instruments of any laws now existing or hereafter enacted. No promissory note or other similar security shall be issued with regard to any obligations incurred by L&N hereunder.

14. L&N agrees to execute and deliver to CCIC such financing statements, instruments, agreements and writings as CCIC may, from time to time, request in order to perfect, preserve and enforce its security interest hereunder, and will pay all filing fees, stamp taxes and other fees and costs incident to recording and filing the same.

15. Neither L&N nor CCIC shall assign this agreement, or any right, obligation or Collateral hereunder, without the prior written consent of the other,

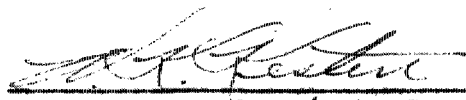



this agreement to any other present or future wholly-owned subsidiary of CCIC's parent, Commercial Credit Company. In all events (and without creating or inferring any right of assignment other than set forth above), this agreement shall be binding upon L&N, its successors and assigns and inure to the benefit of CCIC, its successors and assigns.

IN WITNESS WHEREOF, L&N has caused this agreement to be executed and its corporate seal to be affixed, by its officers thereunto duly authorized, on the day and year first above written, at Louisville, Kentucky.

(Corporate Seal)  
ATTEST:


LOUISVILLE AND NASHVILLE RAILROAD COMPANY

  
Assistant Secretary

By:   
Vice President

Accepted at Roseville, Michigan as of the date thereof.

COMMERCIAL CREDIT INDUSTRIAL CORP.

By:   
ASST. Vice President

ACKNOWLEDGMENT

STATE OF KENTUCKY     )  
                                  ) ss:  
COUNTY OF JEFFERSON)

On this 28th day of December, 1972, before me personally  
appeared R. E. Bishop (name of signer), to me  
personally known, who being by me duly sworn, does say that he is the Vice  
President of Louisville and Nashville Railroad Company, that the  
seal affixed to the foregoing instrument is the corporate seal of said Corporation,  
that said instrument was signed and sealed on behalf of said Corporation by  
authority of its Board of Directors, and he acknowledged that the execution of  
the foregoing instrument was the free act and deed of said Corporation.

(Notarial Seal)

Marvin J. Parry

Notary Public  
Jefferson County, Kentucky

My Commission expires: March 12, 1974